



DEPARTMENT OF THE NAVY
THE ASSISTANT SECRETARY OF THE NAVY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

10 June 2002

MEMORANDUM FOR VICE CHIEF OF NAVAL OPERATIONS
ASSISTANT COMMANDANT OF THE MARINE CORPS

Subj: STRATEGIC SOURCING PROGRAM POLICY GUIDANCE FOR GOVERNMENT
AND SUPPORT CONTRACT PERSONNEL

This memorandum establishes new procedural requirements for cost comparisons under Office of Management and Budget Circular A-76. This memorandum has been coordinated with your staffs. The General Accounting Office issued a decision dated 29 May 2002 reaffirming its prior decision that a conflict of interest under the Federal Acquisition Regulation is deemed to exist where the same Government personnel and/or support contract personnel develop both the performance work statement and the management plan.

Where substantial time and/or resources have not been invested in development of the management plan; activities conducting competitive sourcing cost comparisons under Office of Management and Budget Circular A-76 will ensure that Government and/or contract support personnel developing the management plan are not the same as those developing the performance work statement. This change in procedure is effective immediately. Program advisories will be issued to implement this change.

A working group will be formed immediately to recommend policy for A-76 cost comparisons involving Government personnel and/or contract support personnel who have developed both the performance work statement and the management plan. This group will also recommend policy changes to improve the process and results of competitive sourcing actions.

HT Johnson
H. T. Johnson

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